

<b>Council Meeting</b>	
<b>Meeting Date</b>	14 November 2018
<b>Report Title</b>	Sheerness Town Council Precept
<b>Cabinet Member</b>	Cllr Andrew Bowles, Leader
<b>SMT Lead</b>	Mark Radford, Chief Executive
<b>Head of Service</b>	Nick Vickers, Chief Financial Officer
<b>Lead Officer</b>	Philip Wilson, Financial Services Manager
<b>Key Decision</b>	No
<b>Classification</b>	<b>Open</b>
<b>Recommendations</b>	1. In the year beginning 1 April 2019 Swale Borough Council shall on behalf of the new Sheerness Town Council levy a supplement to the Council Tax at an appropriate rate equivalent to £50 for a Band D property as if the new Town Council had issued a precept to the Borough Council.

## 1. Purpose of Report and Executive Summary

- 1.1 This report sets out the proposed precept for the new Sheerness Town Council for the financial year 2019/20.

## 2. Background

- 2.1 In June 2018 Council agreed to the creation of a new parish council for Sheerness to be known as Sheerness Town Council. This will comprise nine Members with the first elections to take place in May 2019.
- 2.2 Local town and parish councils normally set their own precepts to cover their annual expenditure. This is then collected on their behalf by Swale Borough Council as part of the annual council tax bill. The new Sheerness Town Council will not have any councillors until their first elections in May 2019. The new council will not therefore be able to set their own precept for 2019/20.
- 2.3 The Local Government Finance Act 1992 and the Local Government Finance (New Parishes) (England) Regulations 2008 Statutory Instrument No 626 enables the principal council (in this case Swale Borough Council) to anticipate the financial needs of the new parish council and to collect the cost as if it were a precept.
- 2.4 Therefore Council has the authority to set the 2019/20 precept for the new Sheerness Town Council. In future years, the precept will be set by the elected Members of Sheerness Town Council.

2.5 In order to set the 2019/20 Sheerness Town Council Precept, the Council has arranged for the following actions:

- Consultation with the Sheerness Town Team which had originally submitted a petition asking the Council to set up a town council.
- Consultation with persons who have expressed an interest in standing for the Sheerness Town Council.
- Mr David Buckett CPFA gave a presentation on the financial implications for new parish councils to Swale Borough Council staff and members of the Sheerness Town Team. Mr Buckett is the Kent Association of Local Councils (KALC) Financial Consultant and an Independent Internal Auditor for parish councils.
- Mr Buckett has also provided a draft budget for the new Sheerness Town Council for 2019/20 (appendix I).
- A table showing the different levels of income from a range of council tax rates as if Sheerness Town Council was in existence in 2018/19 (appendix II). Please note that this only shows examples based on the tax base for 2018/19, and that the tax base for 2019/20 may vary.
- Advice on an appropriate precept from KALC who have provided similar support to other Councils when setting the precept for a new parish council.
- Table showing 2018/19 precepts set by existing parish councils (appendix III).

2.6 It is not envisaged that there will be any transfer of assets or service responsibilities from Swale Borough Council to the new Sheerness Town Council from 1 April 2019. However once the Members of Sheerness Town Council Members have been elected in May, they will be able to enter into discussion with Swale Borough Council on these matters if they choose to do so.

### **3. Proposals**

3.1 It is proposed that in the year beginning 1 April 2019 Swale Borough Council shall on behalf of the new Sheerness Town Council levy a supplement to the council tax at an appropriate rate equivalent to £50 for a Band D property as if the new Town Council had issued a precept to the Borough Council.

3.2 It is forecast that this will provide Sheerness Town Council with an income from council tax of approximately £136,000 for 2019/20.

### **4. Alternative Options**

4.1 The Council could set a precept for higher or lower sums than are proposed here and appendix II demonstrates what the impact of these reductions or increases would be.

## 5. Consultation Undertaken or Proposed

5.1 There has been consultation with the KALC and the Sheerness Town Team.

## 6. Implications

Issue	Implications
Corporate Plan	The town council for Sheerness could contribute to the key corporate plan outcome of 'communities...in which people work together to solve the issues that confront their local areas' and to the medium-term strategic objective to 'encourage active communities and support the voluntary sector'
Financial, Resource and Property	There are no direct financial implications for Swale Borough Council. The forecast income from council tax for the new Sheerness Town Council for 2019/20 is £136,000.
Legal, Statutory and Procurement	The Local Government Finance Act 1992 and the Local Government Finance (New Parishes) (England) Regulations 2008 Statutory Instrument No 626 enables the principal council (in this case Swale Borough Council) to anticipate the financial needs of the new parish council and to collect the cost as if it were a precept.
Crime and Disorder	None identified at this stage
Environment and Sustainability	None identified at this stage
Health and Wellbeing	None identified at this stage
Risk Management and Health & Safety	None identified at this stage
Equality and Diversity	None identified at this stage
Privacy and Data Protection	None identified at this stage

## 7. Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Draft 2019/20 Budget for Sheerness Town Council
- Appendix II: Income for Sheerness Town Council from Range of Band D Council Tax
- Appendix III: Parish Council Precepts 2018/19

## **8. Background Papers**

Sheerness Community Governance Review Council meeting 13 June 2018

**Draft 2019/20 Budget for Sheerness Town Council**

	<b>2019/20 Budget £</b>
<b>Income</b>	
Parish Precept	-136,000
<b>Total Income</b>	<b>-136,000</b>
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<b>Expenditure</b>	
Employee costs	36,000
Running costs	33,000
Councillors costs	2,500
Election costs	6,500
Town Council Projects/ Grants	42,000
Contribution towards the General Reserve	16,000
<b>Total Expenditure</b>	<b>136,000</b>
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<b>Net (Surplus)/ Deficit</b>	<b>0</b>

**Income for Sheerness Town Council from a Range of Band D Council Tax**

**Examples as if Sheerness Town Council had been a Parish Council in 2018/19**

<b>Tax Base</b>	<b>Parish Precept (rounded)</b>	<b>Additional Council Tax for Band D</b>
<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>
	<b>£</b>	<b>£</b>
2,718.81	13,594	5.00
2,718.81	27,188	10.00
2,718.81	54,376	20.00
2,718.81	81,564	30.00
2,718.81	108,752	40.00
2,718.81	135,941	50.00
2,718.81	163,129	60.00
2,718.81	190,317	70.00
2,718.81	217,505	80.00
2,718.81	244,693	90.00

A “tax base” is the number of Band D equivalent dwellings in an area.

The taxbase for parished and unparished areas is revised every year and Swale Borough Council writes to Parish Council clerks in December informing them of the taxbase for the next financial year for them to use when their parish is setting their precept for the next financial year.

**Parish Council Precepts 2018/19**

<b>Parish/Town Council</b>	<b>Tax Base 2018/19</b>	<b>Parish Precept (rounded) 2018/19 £</b>	<b>Additional Council Tax for Band D 2018/19 £</b>
Bapchild	458.51	11,550	25.19
Bobbing	963.82	19,231	19.95
Borden	1,079.06	57,250	53.06
Boughton-under-Blean	689.33	53,695	77.89
Bredgar	287.53	9,884	34.38
Doddington	223.45	8,500	38.04
Dunkirk	492.80	11,792	23.93
Eastchurch	784.93	33,000	42.04
Eastling	146.75	5,136	35.00
Faversham Town Council	6,279.21	364,160	57.99
Goodnestone & Graveney	185.46	10,000	53.92
Hartlip	365.61	8,000	21.88
Hernhill	284.26	9,500	33.42
Iwade	1,445.30	51,208	35.43
Leysdown	1,171.19	25,000	21.35
Lower Halstow	453.94	34,849	76.77
Luddenham	43.68	0	0.00
Lynsted	470.51	17,049	36.24
Milstead	88.66	5,500	62.03
Minster	5,411.75	149,418	27.61
Newington	878.94	46,675	53.10
Newnham	156.19	5,355	34.29
Norton & Buckland	185.85	5,971	32.13
Oare	170.11	8,568	50.37
Ospringe	280.13	7,500	26.77
Queenborough Town Council	843.66	55,000	65.19
Rodmersham	242.17	9,750	40.26
Selling	363.56	11,029	30.34
Sheldwich, Leaveland & Badlesmere	348.42	8,600	24.68
Stalisfield	100.46	2,900	28.87
Teynham	882.00	47,480	53.83
Throwley	143.56	3,022	21.05
Tonge	261.72	2,200	8.41
Tunstall	708.14	19,850	28.03
Upchurch	964.79	29,195	30.26
Warden	500.97	15,000	29.94
<b>TOTAL</b>		<b>1,162,817</b>	